

Message Text

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SUBJECT: MEDIA REACTION REPORT: TECHNOLOGY TRANSFER

USIA FOR IOP,INA

1.FOLLOWING ITEMS ON TRANSFER OF TECHNOLOGY ARE
TYPICAL OF MUCH PRESS COMMENT,PUBLIC STATEMENTS,
PROFESSIONAL AND ACADEMIC DISCUSSION IN RECENT
MONTHS REFLECTING STRONG SUSPICION OF MOTIVES
AND EXPERTISE OF INDUSTRIALIZED COUNTRIES ON
PART OF SIGNIFICANT NUMBER GOVERNMENT OFFICIALS
AND ACADEMICS.

2. EDITORIAL ENTITLED "SKILLED EXPLOITATION"
IN SEPTEMBER 21 GOVERNMENT CONTROLLED ENGLISH
"CEYLON DAILY NEWS":

3. "FOR MANY DECADES NOW,THE INDUSTRIALLY ADVANCED
NATIONS HAVE BEEN DRAGGING THEIR FEET WHEN IT COMES
TO TRANSFERRING THEIR SKILLS TO US.THE LITTLE
THEY HAVE GIVEN, THEY HAVE GIVEN WITH SUCH CUNNING
AND GUILE THAT THEY HAVE ACTUALLY ENSURED THAT
THEY GAIN EVEN MORE PROFITS UNDER THE GUISE OF
EQUIPPING OUR COUNTRIES TO BECOME INDUSTRIALIZED
AND WE HAVE REMAINED THE POORER.

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4. "THEIR MANIPULATIONS IN THE AREAS OF INVESTMENT,

SUPPLY OF MACHINERY, DEPLOYMENT OF FOREIGN PERSONNEL, PROVISION OF TRAINING FACILITIES ARE SUCH THAT THE PHRASE 'TRANSFER TO TECHNOLOGY' HAS TURNED OUT TO BE A POST-COLONIAL MYTH."

5. "BETWEEN 1970 AND 1980 IT IS EXPECTED THAT THE DIRECT COST TO POOR NATIONS FOR OBTAINING RAYALTIES AND PATENTS WILL DOUBLE FROM 10 BILLION TO 20 BILLION US DOLLARS. IN FACT THE INDIRECT COST REPRESENTED BY OVER-PRICING, OVER-INVOICING, SUPPLY OF OUTDATED MACHINERY AND SO ON, IS MANY TIMES MORE THAN THIS SUM. MOST IMPORTANT OF ALL, THE TECHNOLOGY THAT IS SUPPLIED GUARANTEES NOTHING EXCEPT THAT THE DEPENDENT RELATIONSHIP WILL CONTINUE AND DEEPEN AS NEVER BEFORE.

6. THE NEED IS THEREFORE FOR DEVELOPING COUNTRIES TO RALLY AT ALL LEVELS TO COUNTER THIS EXPLOITATIVE WORLD ORDER AND TO EVOLVE A MORE SELF-RELIANT TECHNOLOGY FOR DEVELOPMENT."

7. STATEMENT BY SECRETARY, MINISTRY OF INDUSTRIES AND SCIENTIFIC AFFAIRS, DEPUTIZING FOR MINISTER T.B. SUBASINGHE AT SEPTEMBER 20 INAUGURATION OF UNCTAD/SIDA TRAINING COURSE ON TRANSFER OF TECHNOLOGY, AS REPORTED IN SEPTEMBER 21 "DAILY NEWS":

8. "THE PROCESS OF TRANSFER OF TECHNOLOGY IS FRAUGHT WITH DIFFICULTIES FOR DEVELOPING COUNTRIES.

9. "SOMETIMES DEVELOPING COUNTRIES ARE SADDLED WITH EXPENSIVE, AUTOMATED MACHINERY WHEN SIMPLER MACHINES MIGHT HAVE BEEN MORE APPROPRIATE."

10. "FREQUENTLY TECHNOLOGY SUPPLIERS SEEK TO INCLUDE RESTRICTIONS ON THE FREEDOM OF ACTION BY GOVERNMENTS BY DEMANDING VARIOUS CONCESSIONS IN TAXES AND POLICIES.

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11. "SOME OF THE REMEDIES AVAILABLE WERE: (I) REGISTRATION AND APPROVAL OF FOREIGN INVESTMENT PROPOSALS BEFORE INVESTMENT COULD BE MADE; (II) SPECIAL INSTITUTIONS TO DEAL WITH TRANSFER OF TECHNOLOGY; (III) 8.85% ON REPATRIATION OF CAPITAL ANNUALLY; (IV) SPENDING MORE MONEY ON RESEARCH-IN SRI LANKA IT WAS LESS THAN 1 PER CENT; (V) TO DISTINGUISH BETWEEN FOREIGN OWNER-

SHP OF EQUITY AND FOREIGN MANAGEMENT CONTROL."
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